

One Hundred Fifth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Tuesday,
the twenty-seventh day of January, one thousand nine hundred and ninety-eight*

An Act

To amend chapter 87 of title 5, United States Code, with respect to the order of precedence to be applied in the payment of life insurance benefits.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. DOMESTIC RELATIONS ORDERS.

Section 8705 of title 5, United States Code, is amended—

(1) in subsection (a) by striking “(a) The” and inserting “(a) Except as provided in subsection (e), the”; and

(2) by adding at the end the following:

“(e)(1) Any amount which would otherwise be paid to a person determined under the order of precedence named by subsection (a) shall be paid (in whole or in part) by the Office to another person if and to the extent expressly provided for in the terms of any court decree of divorce, annulment, or legal separation, or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation.

“(2) For purposes of this subsection, a decree, order, or agreement referred to in paragraph (1) shall not be effective unless it is received, before the date of the covered employee’s death, by the employing agency or, if the employee has separated from service, by the Office.

“(3) A designation under this subsection with respect to any person may not be changed except—

“(A) with the written consent of such person, if received as described in paragraph (2); or

“(B) by modification of the decree, order, or agreement, as the case may be, if received as described in paragraph (2).

“(4) The Office shall prescribe any regulations necessary to carry out this subsection, including regulations for the application of this subsection in the event that two or more decrees, orders, or agreements, are received with respect to the same amount.”.

SEC. 2. DIRECTED ASSIGNMENT.

Section 8706(e) of title 5, United States Code, is amended—

(1) by striking “(e)” and inserting “(e)(1)”; and

(2) by adding at the end the following:

“(2) A court decree of divorce, annulment, or legal separation, or the terms of a court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation, may direct that an insured employee or former employee

H. R. 1316—2

make an irrevocable assignment of the employee's or former employee's incidents of ownership in insurance under this chapter (if there is no previous assignment) to the person specified in the court order or court-approved property settlement agreement.”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*